TEXAS DEPARTMENT OF INSURANCE
Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
DOCTORS HOSPITAL AT RENAISSANCE

Respondent Name
HARTFORD CASUALTY INSURANCE

MFDR Tracking Number
M4-17-1866-01

Carrier's Austin Representative
Box Number 47

MFDR Date Received
February 17, 2017

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "After reviewing the account we have concluded that reimbursement received was inaccurate."

Amount in Dispute: $98.38

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Procedure code 93005 has a status indicator of Q1 which denotes STVX packaged codes . . . Procedure 99285 has a status indicator of 'V.'"

Response Submitted by: The Hartford

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
May 29, 2016	Outpatient Hospital Services	$98.38	$0.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.403 sets out the acute care hospital fee guideline for outpatient services.
3. 28 Texas Administrative Code §134.203 sets out the fee guideline for professional medical services.

4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - W3 – ADDITIONAL PAYMENT MADE ON APPEAL/RECONSIDERATION.
   - 193 – ORIGINAL PAYMENT DECISION IS BEING MAINTAINED. UPON REVIEW, IT WAS DETERMINED THAT THIS CLAIM WAS PROCESSED PROPERLY.
   - 1115 – WE FIND THE ORIGINAL REVIEW TO BE ACCURATE AND ARE UNABLE TO RECOMMEND ANY ADDITIONAL ALLOWANCE.
   - 97 – PAYMENT ADJUSTED BECAUSE THE BENEFIT FOR THIS SERVICE IS INCLUDED IN THE PAYMENT/ALLOWANCE FOR ANOTHER SERVICE/PROCEDURE THAT HAS ALREADY BEEN ADJUDICATED.
   - 243 – THE CHARGE FOR THIS PROCEDURE WAS NOT PAID SINCE THE VALUE OF THIS PROCEDURE IS INCLUDED/BUNDLED WITHIN THE VALUE OF ANOTHER PROCEDURE PERFORMED.
   - 309 – THE CHARGE FOR THIS PROCEDURE EXCEEDS THE FEE SCHEDULE ALLOWANCE.
   - P12 – WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT
   - 1001 – BASED ON THE CORRECTED BILLING AND/OR ADDITIONAL INFORMATION/DOCUMENATION NOW SUBMITTED BY THE PROVIDER, WE ARE RECOMMENDING FURTHER PAYMENT TO BE MADE FOR THE ABOVE NOTED PROCEDURE CODE.

Issues

1. What is the applicable rule for determining reimbursement for the disputed services?
2. What is the recommended payment amount for the services in dispute?
3. Is the requestor entitled to additional reimbursement?

Findings

1. This dispute regards outpatient hospital facility services with reimbursement subject to the provisions of 28 Texas Administrative Code §134.403, which requires that the reimbursement calculation used for establishing the maximum allowable reimbursement (MAR) shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the Federal Register with the application of minimal modifications as set forth in the rule.

   Per §134.403(f)(1), the sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 200 percent, unless a facility or surgical implant provider requests separate reimbursement of implantables. Review of the submitted documentation finds that separate reimbursement for implantables was not requested.

2. Medicare's Outpatient Prospective Payment System (OPPS) assigns an Ambulatory Payment Classification (APC) for billed services based on procedure codes and supporting documentation. The APC determines the payment rate. Hospitals may be paid for more than one APC per encounter. Payment for ancillary items and services without procedure codes is packaged into the payment for the APC. The Centers for Medicare and Medicaid Services (CMS) publishes quarterly lists of APC rates in the OPPS final rules, available from www.cms.gov. Reimbursement for the disputed services is calculated as follows:

   - Procedure code 96361 has status indicator S, denoting significant OPPS procedures paid separately by APC, not subject to reduction. This is classified under APC 5691, which, per OPPS Addendum A, has a payment rate of $30.87, multiplied by 60% for an unadjusted labor-related amount of $18.52, which is multiplied by the facility's annual wage index of 0.7989 for an adjusted labor amount of $14.80. The non-labor related portion is 40% of the APC rate, or $12.35. The sum of the labor and non-labor portions is $27.15. The cost of these services does not exceed the annual fixed-dollar threshold of $3,250. The outlier payment is $0. The Medicare facility specific reimbursement for this line is $27.15 is multiplied by 200% for a MAR of $54.30.
   - Procedure code G0478, 80048, 84484, 85025, 85610 and 85730 have status indicator Q4 denoting packaged lab services, payment for packaged items is included in the reimbursement for the primary service(s).
   - Procedure code 80061 has status indicator A, denoting services paid using a fee schedule or payment system other than OPPS. If Medicare pays using other systems, Rule §134.403(h) requires the services be paid under the division guideline appropriate to those items for the service date provided. The technical component for lab services is paid using the DWC Professional Medical Fee Guideline, Rule §134.203(e)(1). The Medicare Clinical Fee Schedule rate for this code is $18.24. 125% of this amount is $22.80

- Procedure code 71010 is assigned status indicator S, denoting significant OPPS procedures paid separately by APC, not subject to reduction. This is classified under APC 5521, which, per OPPS Addendum A, has a payment rate of $60.80. This is multiplied by 60% for an unadjusted labor-related amount of $36.48, which is multiplied by the facility's annual wage index of 0.7989 for an adjusted labor amount of $29.14. The non-labor related portion is 40% of the APC rate, or $24.32. The sum of the labor and non-labor portions is $53.46. The cost of these services does not exceed the annual fixed-dollar threshold of $3,250. The outlier payment is $0. The Medicare facility specific reimbursement for this line of $53.46 is multiplied by 200% for a MAR of $106.92.
- Procedure code 99285 has status indicator J2 denoting hospital, clinic or emergency room visits (including observation/critical care services) subject to composite payment if certain other services are billed in combination. This is classified under APC 5025, which, per OPPS Addendum A, has a payment rate of $486.04, multiplied by 60% for an unadjusted labor-related amount of $291.62, which is multiplied by the facility's annual wage index of 0.7989 for an adjusted labor amount of $232.98. The non-labor related portion is 40% of the APC rate, or $194.42. The sum of the labor and non-labor portions is $427.40. The cost of these services does not exceed the annual fixed-dollar threshold of $3,250. The outlier payment is $0. The Medicare facility specific reimbursement for this line is $427.40 is multiplied by 200% for a MAR of $854.80.
- Procedure code J2270, J2405 and J7030 have status indicator N denoting packaged codes integral to the total service package with no separate payment; reimbursement is included in the payment for the primary services.
- Procedure code 93005 has status indicator Q1 denoting STV-packaged codes; reimbursement for these services is packaged into the payment for any other procedures with status indicators S, T or V billed on the same claim. This code is separately payable only if no other such procedures are billed the same day.
- Procedure code 96374 has status indicator S denoting significant OPPS procedures paid separately by APC, not subject to reduction. This is classified under APC 5693, which, per OPPS Addendum A, has a payment rate of $92.40, multiplied by 60% for an unadjusted labor-related amount of $55.44, which is multiplied by the facility's annual wage index of 0.7989 for an adjusted labor amount of $44.29. The non-labor related portion is 40% of the APC rate, or $36.96. The sum of the labor and non-labor portions is $81.25. The cost of these services does not exceed the annual fixed-dollar threshold of $3,250. The outlier payment is $0. The Medicare facility specific reimbursement for this line of $81.25 is multiplied by 200% for a MAR of $162.50.
- Procedure code 96375 has status indicator S denoting significant OPPS procedures paid separately by APC, not subject to reduction. This is classified under APC 5692, which, per OPPS Addendum A, has a payment rate of $42.31, multiplied by 60% for an unadjusted labor-related amount of $25.39, which is multiplied by the facility's annual wage index of 0.7989 for an adjusted labor amount of $20.28. The non-labor related portion is 40% of the APC rate, or $16.92. The sum of the labor and non-labor portions is $37.20. The cost of these services does not exceed the annual fixed-dollar threshold of $3,250. The outlier payment is $0. The Medicare facility specific reimbursement for this line is $37.20 is multiplied by 200% for a MAR of $74.40.

3. The total recommended reimbursement for the disputed services is $1,275.72. The insurance carrier has paid $1,285.96, leaving an amount due to the requestor of $0.00. Additional payment is not recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is $0.00.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requestor is entitled to $0.00 additional reimbursement for the services in dispute.

Authorized Signature

	Grayson Richardson	March 17, 2017
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with Rule §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012**.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.